

TEMPLE STREET CONDOMINIUMS – INFORMATION PACKAGE

BACKGROUND

The Somerville Community Corporation (SCC) is a non-profit affordable housing organization located in Somerville, Massachusetts. In August 2005, SCC began construction on the Temple Street Condominiums, a 15-unit affordable homeownership development for first-time homebuyers. SCC currently has only one unit left to sell to a qualified buyer!



Number of Units	Income Range Eligible	Number of Bedrooms	Number of Baths	Livable Square Feet	Sales Price
1	81-110% AMI	3	1.5	1195	\$243,000

Applications are available from the Somerville Community Corporation (and attached) and must be completed in full and signed in order to be considered. Applicants also need to submit a pre-approval letter from a lending institution stating they have been approved for a loan (see details below.) Incomplete, illegible, or partial applications will not be accepted. Applications can be submitted via mail or in person to:

Somerville Community Corporation
Attn: Temple Street Condominiums Lottery
337 Somerville Avenue, 2nd Floor
Somerville, MA 02143



Applications will be reviewed as they are received and interested homebuyers will be worked with on a first come, first serve basis. Please mail your application early for prompt attention. Upon receipt of a completed and signed application, it will be reviewed to determine whether the household meets the eligibility criteria.

QUALIFICATION CRITERIA

Submittal of the Application is intended to determine whether the applicant qualifies for an affordable unit in the Temple Street Condominium development. Minimum threshold requirements to qualify are as follows:

- Total **household income** cannot be above 110% AMI. Household annual income should fall within current income limits for the program as described below.
- Must be a **first-time homebuyer** (defined as not owning a home in past three years) although some exceptions may apply.
- Must submit a **pre-approval letter** for a conventional, 30-year fixed rate mortgage from a bank or other lending institution.

SCC will review the applications and pre-approval letters and make a preliminary determination of eligibility. If an applicant is denied eligibility based on one of the three preliminary criteria, they may appeal in writing to SCC stating why they are eligible and providing documentation to that fact. Applicants denied based on income may submit copies of pay stubs, wage statements, tax returns, etc that evidence their annual income. Applicants denied based on failure to meet the first-time homebuyer requirement should provide proof of their status as non-owners for the previous three years (reference from landlord.) Applicants denied eligibility based on failure to submit a pre-approval letter should provide a copy of a pre-approval letter.

Applicants will have an opportunity to see the unit after they have submitted their completed application. After the walk through, applicants will be responsible for submitting additional paperwork (including past pay stubs, bank statements, tax returns, etc). SCC will then begin verification and determination of final eligibility of the applicants. After receiving approval, applicants will sign the purchase and sales agreement and begin the process of obtaining a mortgage commitment. The lender will conduct its own due diligence regarding the selected applicant's financial and credit worthiness. If a selected applicant is unable to obtain financing approval within 35 calendar days after signing the purchase and sales agreement, eligibility for purchase will pass on to the next eligible applicant.

WHAT YOU SHOULD KNOW ABOUT FILLING OUT THE APPLICATION

Household Size: Household size refers to the number of people who will be living in the condominium unit. For purpose of this application, household members must be family members who will live regularly in the unit as their primary residence and who are related by blood, marriage, or operation of law or who have otherwise evidenced a stable inter-dependent relationship. No two persons (with the exception of husband and wife or those in a similar living arrangement) shall be required to share a bedroom. The minimum and maximum household size for each type of unit is as follows:

	<u>minimum</u>	<u>maximum</u>
3-bedroom	3 persons	6 persons

Households that are smaller than the minimum are welcome to apply, however there is a preference for larger household sizes.

Some households may include persons who are not counted as family members for the purposes of income limits and household size whose income, if any, is not considered when calculating annual income. The following household members may not be counted when determining household size for income limit and unit selection purposes: foster children, live-in aides and children of live-in aides, unborn children and children being pursued for legal custody or adoption who are not currently living with the household. A child who is subject to a shared-custody agreement in which the child resides with the household at least 50 percent of the time can be counted.

Household Income: To be eligible for the Temple Street Condominiums lottery, household annual income must be 81-110% of the area median income as published by the U.S. Department of Housing and Urban Development. Income limits in 2007 for the Boston Metropolitan Area are:

Household Size	Minimum Income	Maximum Income
One Person	\$46,300	\$63,663
Two Person	\$52,950	\$72,700
Three Person	\$59,550	\$81,750
Four Person	\$66,150	\$90,850
Five Person	\$71,450	\$98,150
Six Person	\$76,750	\$105,400

Annual income includes all sources of income including gross (before taxes) wages and salaries, overtime pay, commissions, tips, fees and bonuses, and other compensation for personal services, net business income, retirement income, veterans' benefits, alimony/child support, unemployment compensation, social security, pension/disability income, supplemental security income and interest/dividend income for all members of the household during the most recent calendar year for all adult household members 18 years of age and over. Annual income also includes the actual income generated by liquid assets, that is cash or assets that can be converted easily to cash.

SCC will review bonus pay, overtime pay or other periodic compensation on a case-by-case basis. If the compensation is not a regular occurrence or is not expected to continue, it may be excluded from the determination of income.

First-Time Homebuyer Education: Applicants are not required to complete a class, but are strongly encouraged to do so. Homebuyer education courses are typically offered by local governments, non-profit agencies, and some banks throughout the state. The course helps to familiarize first-time homebuyers with the home purchase process. See www.chapa.org for a list of certified homebuyer education providers and course dates.

Financing Requirements and Other Costs: Applicants are required to get pre-approved by a lender for a mortgage of the amount required for the property. The pre-approval letter must include the property address, the purchase price and maximum mortgage amount. Mortgage terms must be a conventional 30-year fixed rate mortgage (SCC has the right to review all terms.) Applicants will be required to send this information to SCC as a determination of eligibility.

In most cases, down payment and closing costs will be needed to purchase the home. Pre-approval by a lender will include approval of the applicant's ability to pay the down payment and closing costs. Upon signing the Purchase and Sale Agreement, the selected applicant will be required to pay a portion of the down payment. At the closing, the applicant will be required to pay the balance of the down payment as well as closing costs. Applicants may be eligible for closing cost assistance from the City of Somerville.

Sales price of the unit is \$243,000 for a 3-bedroom unit.

All homebuyers will be part of the Temple Street Condominium Association. As a member of the Association, homeowners will be required to pay a monthly condo fee; this fee pays for a property management company responsible for the budget, master insurance, maintenance & repairs to common areas, trash removal, upkeep of exterior areas such as landscaping and snow removal, etc. The monthly condo fee for this unit is \$275.23.

Deed Restrictions: In order to keep the Temple Street Condominiums affordable in perpetuity, there is a Deed Rider that will be filed with the deed at the time of purchase for each of the units. The Deed Rider limits the resale price of the units by the acquisition price adjusted by the percentage increase in the area inflation index and the cost of qualified completed improvements to the property. The Deed Rider also requires that the unit be re-sold to another eligible buyer.

For SCC Office Use Only

Date Received _____

2BR 3BR

Somerville/Non-Somerville

TEMPLE STREET CONDOMINIUM APPLICATION

Please complete all pages to the best of your ability. This application will be used to determine your eligibility for a condominium unit at the Temple Street Condominiums.

APPLICANT'S INFORMATION

Applicant's Name _____ Social Security # _____
Co-Applicant's Name _____ Social Security # _____
Current Address: _____ Unit # _____
City _____ State _____ Zip Code _____
Telephone: Home _____ Work _____ Cell _____
E-Mail Address _____ Total Number of People in Household _____
Language Preference _____ How Did You Hear _____

GENERAL INFORMATION

Are you currently a Somerville resident? _____ Yes _____ No
If yes, how long have you been a Somerville resident? _____
If yes, provide verification by including a current utility bill as third party supporting documentation
Has any member of the household owned a home or joint interest in a home in the past three years?
_____ Yes _____ No If yes, please explain _____
Have you completed a certified homebuyer education course? _____ Yes _____ No

INCOME INFORMATION – Complete this section for all household members earning income.

Applicant's Current Gross Monthly Income _____ Overtime, Bonuses, etc. _____
Employer's Name _____ Length of Employment _____
Employer's Address _____

All Other Sources of Income (social security, pension, Veteran's Administration, unemployment, child support, etc)
Source _____ Monthly Amount _____
Source _____ Monthly Amount _____

Co-Applicant's Current Gross Monthly Income _____ Overtime, Bonuses, etc. _____
Employer's Name _____ Length of Employment _____
Employer's Address _____

All Other Sources of Income (social security, pension, Veteran's Administration, unemployment, child support, etc)
Source _____ Monthly Amount _____
Source _____ Monthly Amount _____

Other Household Members

Household Member's Name _____ Gross Monthly Income _____
Employer's Name _____ Length of Employment _____
Employer's Address _____

All Other Sources of Income (social security, pension, Veteran's Administration, unemployment, child support, etc)
Source _____ Monthly Amount _____
Source _____ Monthly Amount _____

List all household members (include yourself, any children, and those without income)

NAME	SEX	SOCIAL SECURITY #	BIRTH DATE	RELATIONSHIP TO APPLICANT	ANNUAL GROSS INCOME & TYPE

If any member of your household is over 18 and is claiming “no income,” please have them sign below
I certify that at this time (time of application) I am not earning any income.

Name _____ Signature _____

ASSETS

List all liquid assets available to Applicants. Liquid assets include cash and investments that can easily be converted to cash such as savings and checking accounts, stocks, bonds, and other forms of capital investment. Do not include the value of personal property such as furniture and automobiles.

Bank Name and Address _____	Name on Account _____
Savings Account Number _____	Current Balance \$ _____
Checking Account Number _____	Current Balance \$ _____
Other (e.g. Certificate of Deposit) Account Number _____	Current Balance \$ _____

Bank Name and Address _____	Name on Account _____
Savings Account Number _____	Current Balance \$ _____
Checking Account Number _____	Current Balance \$ _____
Other (e.g. Certificate of Deposit) Account Number _____	Current Balance \$ _____

Bank Name and Address _____	Name on Account _____
Savings Account Number _____	Current Balance \$ _____
Checking Account Number _____	Current Balance \$ _____
Other (e.g. Certificate of Deposit) Account Number _____	Current Balance \$ _____

List all other assets (including Stocks and Bonds, Land, 401K, Businesses, and Other Liquid Assets)

Description of Asset _____	Estimated Value \$ _____
Description of Asset _____	Estimated Value \$ _____
Description of Asset _____	Estimated Value \$ _____

Are any additional funds available for a down payment? _____ Yes _____ No

Will any portion of your down payment be derived from GIFT money? _____ Yes _____ No

Describe amount and source of additional down payment _____

Is at least 3% of the down payment your own funds? _____ Yes _____ No

DEBT INFORMATION

Applicant's Present Monthly Rent _____

Do you have a lease? _____ Yes _____ No If yes, when does it end? _____

When did you move into your current residence? _____ (mm/dd/yyyy)

Landlord's Name _____ Phone _____

Landlord's Address _____

Is there any other information you would like us to be aware of? If so, please explain here: _____

NOTIFICATION

All information you provide here will be treated as confidential and used by our office to determine eligibility to be a participant in the lottery. Applicants understand that after the lottery, if selected, SCC will require a complete income and asset verification. This means that applicants, if selected, must provide SCC with documentation and further verification of all information related to income, assets, and household members. The applicant certifies all information in this application is true to the best of his or her knowledge and belief, and no information has been included or excluded which might reasonably affect judgments regarding applicant's income or net worth.

CERTIFICATIONS

Certification of Information

I/we certify that all information furnished in this application for affordable housing is true and complete to the best of my knowledge.

I/we understand that any false statement, which I have made knowingly and willfully, will be sufficient cause for rejection of my application.

Release of Information

I hereby authorize the Somerville Community Corporation to obtain a credit report in my name and to contact and/or obtain verification from any source named in this application.

Certification of First Time Homebuyer Status

I/we certify that I/we have not owned or had partial ownership of any residential property within the last three years.

Deed Restrictions

I understand that this home has been made affordable by the above agencies so that it can be purchased by a household of low or moderate income, and it must remain affordable permanently. I understand that there are deed restrictions attached to this home that will determine the sale price of the unit when I sell it.

Applicant's Signature _____ Date _____

Co-Applicant's Signature _____ Date _____

Please return the completed form and pre-approval for a mortgage (see attached information about mortgage requirements) to:

Somerville Community Corporation
Attn: Temple Street Lottery
337 Somerville Avenue, 2nd Floor
Somerville, MA 02143



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Somerville, MA 02143
www.somervillecdc.org

